

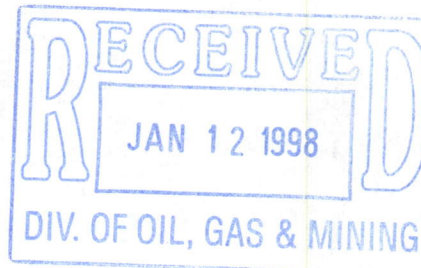


United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
HOUSE RANGE/WARM SPRINGS RESOURCE AREA  
35 East 500 North  
Fillmore, UT 84631



IN REPLY REFER TO:  
3809  
(U-55)  
UTU-070557



January 8, 1998

HAND DELIVERED

DEXTER ANDERSON  
ATTORNEY  
RED DOME INCORPORATED  
SR BOX 52  
FILLMORE UT 84631

Dear Mr Anderson:

Your old Plan of Operations (Plan), submitted February 13, 1991, was approved contingent upon the acceptance of a reclamation bond by the Utah Division of Oil, Gas and Mining (UDOGM). UDOGM never calculated the bond amount and as a result a bond was never submitted, thus Red Dome has been operating without an approved Plan since 1981, when the surface management regulations (43 CFR 3809) first took effect. This situation must be corrected. Due to the lapse of almost seven years since the last Plan was submitted, an updated Plan must be filed with this office. An extension of an additional 90 days beyond the receipt of this letter will be granted for the submission of the new Plan.

The last correspondence, pertaining to the Red Dome claim group, this office received from any party prior to your letter of December 12, 1997, was the old Plan which was received in 1991. We have not received any information on additional acreage disturbed, facilities construction, etc. since that date.

The Red Dome mining claims were located before the Act of July 23, 1955 (P.L. 167), also known as the Common Varieties Act. However, mineral materials used for fill, grade, ballast, and subbase have never been locatable [*United States v. Wirz*, 89 IBLA 350, 358 (1985)], unless they were "specification grade" [*United States v. Bienick*, 14 IBLA 290, 298]. After P.L. 167 "specification grade" materials were no longer locatable. Many of the purposes listed in Red Dome's recent advertisement would not have been locatable prior to P.L. 167.

In *United States v. Guzman*, 81 I.D. 685, 692 (1974) it was stated that a sand and gravel deposit with many superior properties is considered a common variety if used only for the same purposes as other widely available sand and gravel deposits. Assuming the deposits on the Red Dome claims are uncommon variety material, the materials produced may not be sold for a common variety use, or they could lose their uncommon designation.



The Red Dome claims may fall under the small miners exemption provisions of the regulations at 43 CFR 3833 and 3850, which are the regulations pertaining to the payment of maintenance fees and annual assessment work, however, the disturbed acreage is in excess of 5 acres which means that the 43 CFR 3809 regulations require a Plan, and the UDOGM requires a Large Mine Plan. If the total disturbance was 5 acres or less we would require a Notice and UDOGM would require a Small Mine Plan.

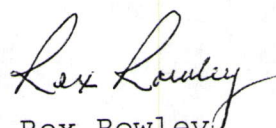
To some extent you are correct with regards to reclamation. Our surface management regulations took effect January 1, 1981 and we do not require any reclamation of disturbances created prior to that date, unless they are redisturbed. Any disturbances or redisturbances created on or after January 1, 1981 must be reclaimed, either by the operator or by the claimant, who bears the ultimate responsibility for the activities taking place on his claims. In this case, any disturbances on the Red Dome claim group that were created on or after January 1, 1981, must be reclaimed either by the responsible party or by the claimant.

A corporation duly organized under the laws of one of the fifty states may locate or hold mining claims. As Red Dome Inc. was involuntarily dissolved in 1996 it may no longer hold or locate mining claims, yet the claimant of record for the Red Dome claim group is listed as Red Dome Inc. Within 15 days of receipt of this letter you must submit the appropriate documentation to the BLM Utah State Office and with a copy to this office naming the current claimants and designating them as the claimants of record.

A reminder, the reclamation cost, as certified by the third party professional engineer, must be calculated as if the reclamation is conducted by a third party contractor.

If you have any questions please call Ron Teseneer at (435)743-3126.

Sincerely,

  
Rex Rowley  
Area Manager

cc: Red Dome Inc., PO Box 52, Fillmore, UT 84631  
Gordon Griffin, 7 Ranshorn Court, Skidaway Island, Savannah,  
GA 31411  
D. Wayne Hedberg, UDOGM (M/027/032)